



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

February 24, 2010

Linda Shum
Zions First National Bank
International Operations
550 South Hope Street, 3RD Floor
Los Angeles, California 90071

Subject: Authorization for Partial Release of Reclamation Surety, Letter of Credit, Western Clay Co., Three Knolls Quarry, S/027/0101, Millard, County, Utah

Dear Ms. Shum;

Zions First National Bank is presently holding letter of credit # ZSB801942 for the benefit of the State of Utah, Division of Oil, Gas and Mining, as a form of reclamation surety for Western Clay Company's Three Knolls Quarry. At the company's request, a site inspection was performed to verify that reclamation work was satisfactorily completed. This letter will authorize reduction of the face value of the letter of credit to no less than \$4000. The \$4000 will be retained to guarantee vegetation establishment. As of February 23, 2010, the letter of credit had a value of \$18,600.

When this transaction has been accomplished, please furnish us with written confirmation that the amended letter of credit has been established at \$4000.

If you have any questions or concerns, please contact Dana Dean at 801-538-5320, or Paul Baker at 801-538-5261. Thank you for your help in this matter.

Sincerely,

John R. Baza
Director

JRB:jcr:pb

cc: Western Clay Co.
Penny Berry, OGM

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